



**LOK SABHA SECRETARIAT
PRESS RELEASE**

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Shri Hukm Deo Narayan Yadav, M.P. and Chairperson, Committee on Agriculture (2015-16) presented the Twenty-third Report (Sixteenth Lok Sabha) on Demands for Grants (2016-17) pertaining to the Ministry of Food Processing Industries to Lok Sabha today.

Some of the important recommendations of the Committee are as under :-

Budgetary Allocations	<p>The Committee noted that a well developed food processing sector with higher level of processing helps in the reduction of wastage, improves value addition, promotes crop diversification, ensures better return to the farmers, promotes employment as well as increases export earnings. This sector is also capable of addressing critical issues of food security, food inflation and providing wholesome, nutritious food to the masses. Food Processing sector has also emerged an important segment of the Indian economy in terms of its contribution to GDP, employment and investment. However, the Committee were deeply concerned to note that the budgetary allocation during the first four years of 12th Plan has been grossly inadequate. As a result of the reduced allocation, the implementation of various schemes of the Ministry has been adversely affected. The Committee, therefore, strongly recommended that the Ministry should raise the matter with Ministry of Finance to allocate funds as per their requirement and urge them to take into account the contribution of the FPI sector to the GDP while allocating funds to the Ministry.</p> <p style="text-align: right;">(Recommendation – Para No. 2)</p>
Harvest and Post-harvest Losses	<p>The Committee noted that a study conducted by the Central Institute of Post Harvest Engineering and Technology (CIPHET), Ludhiana reveals that a large quantity of the produce suffer losses during different stages of harvesting, collection, thrashing, grading/sorting, winnowing/cleaning, drying, packing, transportation and storage depending upon the commodity. According to the report of the study</p>

	<p>submitted in 2015 estimated that the annual value of harvest and post-harvest losses of major agricultural produces at national level was of the order of Rs. 92,651 crore calculated using production data of 2012-13 at 2014 wholesale prices. The significant percentage of losses during harvest and post-harvest clearly shows that the various schemes being implemented by the Government have not been able to address the issues and challenges being faced by the food processing sector over the years. The Committee were of the view that it is but imperative that sustainable supply chains are developed to link the farmers to the processing and marketing centers seamlessly. The Committee, therefore, recommended that public investment may be significantly increased to fund the various components of rural infrastructure and supply chain to contain the losses during harvest and post-harvest, for which the Ministry of Finance may be urged to allocate the requisite funds for the purpose.</p> <p style="text-align: right;">(Recommendation-- Para No. 3)</p>
'Make In India' Campaign	<p>The Food Processing Sector has been identified as one of the priority sector under "Make in India" campaign. Under "Make In India" campaign, the Ministry has been disseminating information to potential investors to attract investment to the sector through a dedicated "Investors Portal" in which a range of information like resource base, availability of land, state specific policies, fiscal incentives are shared with the potential investors. The Committee desired the Ministry to make vigorous campaign under "Make in India" initiative to attract potential investor in the sector and to promote and popularize processed food products and to showcase the various schemes being implemented by the Ministry.</p> <p style="text-align: right;">(Recommendation -- Para No.4)</p>
National Policy On Food Processing Sector	<p>The Committee felt that before restructuring of the Central Sector schemes, a comprehensive policy should have been formulated after consulting all States and other stakeholders taking into consideration their genuine concerns and the modalities worked out for their effective implementation. While noting that the process of preparing the policy document is being initiated which would require consultation with all stakeholders at various levels and policy planners and concerted efforts will be made in this direction to bring out a pragmatic, consolidated national policy on food processing with clearly defined objectives, goals and methodology for implementation. The Committee desired the Ministry to expedite the process of consultation with all concerned including stakeholders so that a national policy on food processing sector is drafted and implemented without further loss of time.</p> <p style="text-align: right;">(Recommendation-Para No. 5)</p>
Mega Food Park Scheme	<p>While noting that 11 projects of 1st and 2nd phases are running behind the time schedule of their completion and the pace of progress in the implementation of the scheme is significantly slow. The Committee were of the view that every factor should be taken in to consideration before giving even in-principle approval for MFP projects so as to avoid time taken to grant final approval and their implementation within</p>

	<p>the time line. The viability of the project and capacity of the promoter/entrepreneurs should also be assessed in order to avoid cancellation at later stage. An institutional mechanism also needs to be established in coordination with all concerned to ensure effective implementation and strict monitoring of the progress of the projects to avoid time and cost overrun. The Committee also desired that concerted and coordinated efforts may be made to set up the proposed single window clearance system for MFP projects at the earliest. The Committee also noted that based on the recommendations of ICRIER the Ministry is in the process of amending the guidelines of Mega Food Park Scheme (MFPS) to make it more effective and investor friendly. The Committee desired that the proposed amendment in the guidelines for MFP scheme may be expedited at the earliest.</p> <p style="text-align: right;">(Recommendation – Para No. 6)</p>
Cold chain, value-addition and preservation infrastructure	<p>The Committee noted that there exist a substantial gap in the cold chain infrastructure capacity in the country. The Committee were of the view that the Integrated Cold Chain Scheme is ambitious project and in the absence of old chain infrastructure, the farmers are compelled to sell their produce without waiting for a better price. The Committee, therefore, strongly recommended that the cold chain infrastructure should be expended expeditiously to enable the farmers to store their produce as far as possible close to farm, which would in turn help the farmers to market their produce at better price and in the process to augment their income. The Committee also recommended that the Ministry of Finance may be impressed upon to allocate funds as per their requirement so that the projects being assisted by them by way of grant of financial assistance are not held up for want of adequate funds.</p> <p style="text-align: right;">(Recommendation – Para No. 7)</p>
Setting Up/Modernisation Of Abattoirs	<p>Since municipal abattoirs generally lack modern equipment, proper sanitation/hygiene, facilities for scientific slaughtering, waste management and pollution control, the Committee, therefore, felt that abattoirs need to be modernized for production of clean and hygiene meat for consumption and to check cruelty to animals, pollution of adjoining areas, water bodies and rivers. Since the Ministry is providing financial assistance in the form of grant-in-aid, they cannot ignore their responsibility as a nodal agency. The Committee, therefore, recommended that concerted and vigorous efforts may be made by the Ministry in coordination with State Governments/Municipal Bodies concerned to expedite the pace of progress of modernisation of all abattoirs in the country and the proposed scheme brought under Central sector as sub-scheme of NMFP (SAMPDA) be implemented without further delay.</p> <p style="text-align: right;">(Recommendation – Para No. 8)</p>
Village Adoption Programme (VAP) by NIFTEM	<p>The Committee noted that Village adoption is a unique program conceptualized and being implemented by NIFTEM for its students since 2012, with a view to sensitize and educate them of the problems</p>

	<p>and practices of the farmers at the grass root level. The aim is to help the Indian Food Processing sector accomplish its objective of all-inclusive growth and facilitate the process of integrating the underprivileged sections of our population with the main stream economy. During the village adoption programmes, each VAP team prepares a booklet of the traditional dishes of that adopted village and the area around it. As a result, 494 traditional dishes of the 39 adopted villages have been documented. While appreciating the efforts being made by NIFTEM in popularizing the Programme, the Committee recommended that more and more villages across the country should be adopted under this programme so that villagers and the students are mutually benefitted and in the process more traditional dishes of the adopted villages are documented for scientific intervention under Make in India initiative by NIFTEM. Since VAP teams are lead by a faculty member, the Committee, therefore, urged that new recruitment of faculty may be expedited so that more and more villages across the country are involved in the programme.</p>
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(Recommendation – Para No. 9)